

P-492/EM-89-113APPROVING TARIFF CHANGE FILING AS MODIFIED

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of Cable & Wireless Communications, Inc. Proposing Changes to the Focus I, II, III, Excel, and TDX 1 + WATS Services, and Proposing to Introduce the Virtual FX Option for Focus I and Excel Customers

ISSUE DATE: August 7, 1989

DOCKET NO. P-492/EM-89-113

ORDER APPROVING TARIFF CHANGE
FILING AS MODIFIED

PROCEDURAL HISTORY

On February 27, 1989 Cable & Wireless Communications, Inc. (the Company) made a tariff filing proposing various changes in its Focus I, Focus II, Focus III, and Excel service offerings. The Company also proposed to eliminate its TDX 1+WATS service and to introduce a new service, called Virtual FX, for its Focus I and Excel customers.

The Residential Utilities Division of the Office of the Attorney General filed comments urging disapproval of the Virtual FX service. That office stated that Virtual FX was a toll discount service whose rate structure violated the geographical deaveraging prohibition of Minn. Stat. § 237.60, subd. 3 (1988).

The Department of Public Service (the Department) examined the filing and raised the same objection to Virtual FX service. The Department also stated the Company had not submitted adequate cost information to support its proposed changes to Focus III service. The Department also expressed several other concerns about the filing.

The Company subsequently withdrew its proposal to offer Virtual FX service, agreed to provide further cost information regarding proposed changes to its Focus III service, and made other modifications to meet the Department's concerns. The Department recommended approval of the filing as modified.

FINDINGS AND CONCLUSIONS

The Department and the Commission have examined the proposed rates in the modified filing and the cost studies submitted to support them. The proposed rates are not excessive, and they do cover the incremental costs of providing the services to which they relate. They therefore meet the requirements of Minn. Stat. § 237.60, subd. 5 (1988), are just and reasonable, and should be approved.

ORDER

1. The Company's February 27, 1989 tariff change filing is approved as modified in consultation with the Department.
2. Within 10 days of the date of this Order the Company shall file with the Department of Public Service revised tariff pages reflecting the tariff changes approved herein. That filing shall specify the effective date of the new rates, which shall not be later than 30 days from the date of this Order.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)